Correspondence Opposing Increased Betting Limits

Citizens Against Gambling Expansion

SENT VIA FAX

RECEIVED

10 September 2003

SEP 1 5 2003

GAMBLING COMMISSION DIRECTOR'S OFFICE

Liz McLaughlin, Chair Washington State Gambling Commission PO Box 42400 Olympia WA 98504-2400

Re: Comments Regarding Expansion of House-Banked Betting Limits

Dear Chair McLaughlin and Commission Members,

I regret that I am unable to join you in person at your meeting this week but I want to share some observations with you about the proposal by the card rooms to raise the maximum per-bet limit from \$100 to \$300 for house-banked card rooms.

Together with former Gov. Booth Gardner, I chair the group Citizens Against Gambling Expansion (C.A.G.E.), an organization of citizens, religious leaders, and former and present elected state and local officials, united in the belief that Washington State has too much gambling already.

The proposal to amend WAC 230-40-120 (Limits on Wagers in Card Games) represents a significant expansion of gambling in Washington. I believe the betting limits are already too high. In poker games, for example, there are as many as five betting rounds to which the limits may apply. Thus, a player may bet the current \$100 limit up to five times (\$500) on a single game of poker. Depending on the number of players, a pot can reach into the thousands of dollars. Under the card room proposal, a person could wager up to \$1,500 on a single hand.

Back in the 1970s when card rooms were first allowed, the idea was that friends could get together in a licensed facility and, pooling their own money, play poker. From that seemingly innocent beginning, the card rooms have morphed into a huge industry controlled by publicly-traded companies operating house-banked facilities. Hundreds of millions of dollars are wagered each year and the only winners are the card room operators. The tremendous growth has been allowed by many small changes in law and regulation – such as the one now before you.

P.O. Box 4116 - Seattle, WA 98104-0116 - 206/517-2823 or 877/202-7028 www.nomoregambling.org

28 Citizens Opposing Increased Betting Limits for House-Banked Card Games

October 2003, Commission Meeting

- 1) From: Zapotocky Family [mailto:zapox6@afo.net] Sent: Monday, September 15, 2003 I am a 55 year old wife and mother with four boys living in Spokane. I was born in Shelton, WA where my 91 old mother now lives. She and my father were teachers in Shelton for a combined 70 years. They were decent, hardworking citizens. It is a good thing my Dad passed away in 1995, because he would look at the flood of gambling in our state today and be absolutely broken hearted. I know you must be a Democrat, but you must have some idea of how hard it is to raise kids...how hard it is to teach them good, decent values...how hard it is to lead them to the point where they work hard, save their money and spend it wisely? We have taught our's all of this, and more...their responsibilities to give back to their church with a little extra income to non-profit organizations that help fellow citizens like Habitat for the Humanities and Catholic Charities. So why are state workers like you encouraging 18 year olds to gamble? Why are you allowing this stupid lifestyle to spread and grow in power and influence? What are you thinking? That we will have healthy communities, healthy families and a healthy state if you push and shove our kids to spend lots of time in casinos. Honestly, I simply can't believe this thing is getting so out of control!!! And lowly citizens like me are no match for you people and the gambling interests. It is so scarey, and nutsos!!! And most of our parents understood that, so what's wrong with you? I honestly did not know the age to gamble had been brought down to 18 until last week when two of my sons newly graduated high school friends came over and said, "Hey Brian, want to go gamble with us???" I thought they were kidding, it seemed so dumb. I have a copy of the National Gambling Commission report....the stats for crimes and community disintegration in places like Las Vegas and Atlantic City after gambling got powerful are absolutely dire! I can only beg you to please represent the citizens like us you are sworn to PROTECT. Not exploit, not undermine, but PROTECT!!!!! If you don't do your duty, no one will, and we are no match for the well funded, shrewd, powerful gambling lobbies coming into our towns... they will bury our boys under gambling debts! Please, please, please help us control this thing before it buries you, too, as well as both of our families. Please put my thoughts into the public record, even though I am guessing you and your buddies will be laughing at me. What a day we have come to, that "Public Servants" like you care more about gamblers than your own neighbors? Yours truly, Cindy Zapotocky
- 2) From: Mike Lonergan [mailto:mikel@trm.org] Sent: Monday, September 15, 2003 Please do not raise the single wager betting limit for card rooms. How can they claim to be involved in a social activity with bets in the hundreds of dollars? Tacoma does not need this!

 Mike Lonergan, Tacoma City Council
- 3) From: Randy Beal [mailto:randy@spokanefirst.org] Sent: Tuesday, September 16, 2003 I am encouraging you to not allow an expansion of the money limits for Card Rooms. We are currently experiencing enough social trouble with the fall out of Casino's that adding more options for gambling to the Public doesn't make sense. It doesn't seem wise to give men and women more temptation to foolishly use their money for gambling when many of them should be using it for raising their families and or paying their bills. I hope that you will recommend not increasing the limits.

 Randy Beal
- 4) A. From: Bob Higley [mailto:higbobe@spso.net] Sent: Monday, September 15, 2003 I have been told that there is an effort to increase the limits per hand from \$100 to \$300. Please let me know if this is true. If so, I strongly oppose such and expansion of gambling, and I will vigorously oppose such a move with the legislators on your advisory panel, or the ex-officio members of the gambling commission.

Bob Higley, Olympia

- 4) B. From: Bob Higley [mailto:higbobe@spso.net] Sent: Thursday, September 25, 2003 I have been advised that you will be considering a proposal to increase the betting limits from \$100 to \$300, and I have to assume that this is for card rooms. These facilities are currently able to let 18 year olds gamble at these card tables. Ladies and Gentlemen, when will the Regulators and Legislators begin to realize that the continual expansion of gambling is a continuation of a cancer eating away at our society. We have heard that the Indians are NOT expanding gambling, yet look what has happened to Marysville by the Tulalup Tribe. Some of the largest businesses in the area now on Indian property, without property taxes. The Tulalup Casino is a huge facility and we have been told that in the Tacoma area a new Casino is being built that will be the largest this side of Reno and the second largest employer in the county. What kind of GOOD business is this that takes from those foolish enough to waste their money on Gambling hoping to "Hit It Big" all the while knowing it is a LOSING endeavor. The Legislature and the Gambling Commission seem intent on just expanding gambling a little more, and a little bit more and a little bit more, so now we have tremendous gambling all across the state. The recent addition of the "Multi-State" lottery is developing only about half the expected revenue Which should be a wakeup call. We are getting over-saturated by gambling opportunities and gambling interests. It really is time to take a good hard look at what we have permitted to develop in our state! Please do NOT permit this growth from \$100 to \$300. JUST SAY NO! Sincerely yours, **Bob Higley,** 519 Percival St. SW, Olympia, WA 98502
- **5) From: Carol Lynch** [mailto:wingshadows20012001@yahoo.com] **Sent:** Friday, September 12, 2003 I say **no** to expanding gambling that's what you'd accomplish by triple single wager betting limits.
- 6) From: WILMA henderson [mailto:jdwilma@spocom.com] Sent: Monday, September 15, 2003 Please donot EXTEND THE LIMITS ON GAMILING IN SPOKANE area. Thank you Wilma Henderson
- 7) From: Roskelley, John [mailto:JRoskelley@spokanecounty.org] Sent: Tuesday, September 09, 2003 Please do not raise the wager for card room gambling. It seems to me as if we are right where we want to be. There's enough gambling in the State of Washington to keep those who like it busy. Raising the stakes puts a burden on families, many who can't afford to lose any money, let alone \$300 a wager.

 John Roskelley, Spokane County Commissioner
- 8) From: Priscilla Miller [mailto:pris.miller@worldnet.att.net] Sent: Tuesday, September 09, 2003 Social card games don't involve \$300 bets per player per hand. Leave it at \$100. Priscilla Miller, Anacortes WA
- 9) From: Guyofnp@aol.com [mailto:Guyofnp@aol.com] Sent: Wednesday, September 10, 2003 I am writing to oppose the increase of per-hand wager limits in card games. A \$300 per hand limit is not recreational gambling for any but a very tiny minority of very wealthy individuals, perhaps 1 person out of 10,000. Instead, it is a wager level that indicates either a gambling addict or a professional gambler. We don't need or want either in Washington State. In addition, persons carrying that much cash around will be targets for criminals, be they in the card room or out in the parking lot. Please do not vote to increase the wager limits they are higher than they should be as it is. Please include my comments in the public record. Guy Spencer, Councilmember, City of Normandy Park
- 10) From: Barbara Clark [mailto:clarkbh@charter.net] Sent: Wednesday, September 10, 2003 I understand that the Gambling Commission will be meeting in Leavenworth this week and may consider a request to increase the single wager betting limit to \$300 per hand. As a member of the Walla Walla City Council and a private citizen, I would oppose such a change. I have received letters and phone calls

from consituents who are concerned about the possibility of expansion of gambling locally. They are worried about the effects on individual gamblers and their families if gambling is made increasingly accessible and attractive. Higher betting limits mean higher and faster losses for most players and their families. I'm also concerned about the possible increases in criminal activity often associated with serious gambling. Our population should not be put in danger in order to increase profits to card rooms, nor can the city afford to enlarge our police force in this time of revenue shortfalls. While I do not believe in prohibition, I do think it is appropriate for the state to act reasonably to protect communities from possible increased criminal activity and families and those with addictive problems from excessive losses. I think it would be irresponsible to allow higher stakes than at present and hope the Commission will refuse to increase the betting limit. Thank you for this opportunity to address the Commission. (This letter is written on my own behalf and does not represent the views of the City Council, which has neither considered nor taken a position on this issue.)

Barbara Clark, PO Box 1222, Walla Walla, WA 99362, (509) 522-0399

11) From: Lisa Bennett [mailto:bennettla@charter.net] Sent: Wednesday, September 10, 2003 I am urging you to make my comments part of the public record regarding the card room owners wanting to raise the single wager betting limit to \$300. Please do not approve this request. I have a family member who is a gambling addict, and I know the pain and suffering our family goes through because of the gambling expansion in our state. Please do not further expand what is already available. Our social services cost in the state is increased, I know, because of the scourge of gambling. We are not profiting through the tax revenues. The national studies show that for every dollar in tax revenue, four dollars are spent in social services/law enforcement. That is not good use of my tax dollars. Please curb gambling and especially refuse to increase the single wager betting limit. Sincerely,

Lisa Bennett, 1519 E. Alder, Walla Walla, WA 99362

12) From: Dave and Martha Orvis [mailto:daveandmartha.orvis@verizon.net] **Sent:** Thursday, Sept. 11, 2003 I sorry for the delay in my response. Feel free to use my name.

Note: This e-mail was sent with a copy of the Citizens Against Gambling Expansion e-mail.

Dave Orvis Edmonds City Council

- 13) From: pgeorge328@aol.com [mailto:pgeorge328@aol.com] Sent: Thursday, September 11, 2003 I wish to state my opposition to the proposal to raise the single wager limit to \$300. My view is that the current mini-casinos are slumping due to saturated markets as we are seeing here in Yakima. Our oldest locally-owned casino the Sports Center just closed. It went bankrupt trying to compete with the larger operations. The mini-casino law was supposed to help locally-owned card rooms not close them up. Paul George, 5305 Meadow Lane Ct., Yakima, WA 98908-4259, 509/966 5097
- 14) From: dontin@pyrotek-inc.com [mailto:dontin@pyrotek-inc.com] Sent: Thursday, Sept. 11, 2003 When will you people wake up and smell the coffee! Increasing gambling is not going to help our longterm situation. I run a company with 1,100 employees and the last thing I want them to do is waste their paycheck in a casino instead of paying their mortgage, car payments, food, clothing, etc. Increasing gambling in Washington will only increase our problems with bankruptcies, crime, substance abuse, prostitution . . . the list goes on and I am sure you have read all the same studies about how legalized gambling has reduced the economic vitality of almost every state that has adopted it. Sure it gives you a short term increase in some tax revenues, but it will drive out retail businesses and make it less attractive for manufacturing businesses to locate here. In the longterm, you will have a less attractive state for companies to invest and you will have more of the social costs of dealing with the side effects of gambling. If you are not familiar with the statistics, let me know and I will be glad to share them with you. Do the right thing for the generations to come and prevent the spread of gambling. Regards,

 Don Ting PS- you can quote me to if you think its helpful

- 15) From: Penny Lancaster [mailto:plancaster@spocom.com] Sent: Thursday, September 11, 2003 Please refuse to increase the betting limit to \$300 as requested by the Commercial Gambling businesses. Such large single bets just creates a larger black hole for problem gamblers to fall into. Keep in mind that these mini-casinos are located right in our neighborhoods and attract unsuspecting visitors, often between 18-21 years old, who "try their hand" at these card games for the first time. A couple of wins and they are back more often then they should. The House is interested in making as much money as possible in as short a time as possible. The best ways to do that is increase the number of tables, provide machines that allow faster play, and increase the amount of money bet on each play. Remember when the taverns and bowling allies were asking the legislature to allow them to bank the games so they could offer an incentive to bring people in to eat, drink, and bowl? It would be best to return to Social Card Games played in the back room, but short of that I am asking you to hold the line on any further expansion. Thank you, Penny Lancaster, 14816 E. Farwell, Spokane, WA 99217
- 16) From: WSchara [mailto:wschara@yamana.com] Sent: Thursday, September 11, 2003 Please do not raise the single wager betting limit in the card rooms to \$300 per hand. The card rooms are already hurting certain individuals and families so much in our area increasing the betting limit would cause more harm. If you stand strong, it will help the most vulnerable people in our community. Yours truly, William Schara, 3221 S. Rebecca St., Spokane, WA 99223, Phone 509-535-5830
- 17) From: Barbara Skinner [mailto:bskinner@ci.sumner.wa.us] Sent: Thursday, September 11, 2003 I am writing to express my dismay at the repeated attempts by the card room operators in Washington State to expand their operations in any way they can. They seem determined to open our state up as wide as possible to the same gambling activities that you can find in Nevada. Well, I don't want my state to become another Nevada! I am the Mayor of the City of Sumner and I know how most of the people in my city feel about card rooms and "mini casinos" in our community. They are opposed to expanded operations because we would have absolutely no control over where they could be sited. State law forbids cities the ability to zone specific areas for gambling activities. So we have a moratorium on expanded card rooms, or mini casinos, in our community. Years ago, when the card rooms were first suggested. those promoting the idea said they just wanted people to be able to have a little social game at the local tavern or bar. They didn't want Los Vegas, just a friendly little neighborhood game with people who came in every night and liked to play a friendly game with their friends. At that time, this sounded acceptable to me. Well, I don't know about you but \$100 as a limit sure gets past my definition of "friendly" and "social" and now the gambling industry wants to raise it to \$300! This is so far beyond the boundaries of what they were talking about when card rooms were first suggested, years ago, that it is ridiculous. And they keep pushing to expand it. Gambling businesses decided, a few years ago, to become the "Gaming Industry". When people decide to call their business something other than what it really is, doesn't that make you wonder about the other things they tell you. How much "truth in advertising" is there to the proposals and statements of the "Gaming Industry"??? The Gambling Commission is supposed to be watching out for the people of the state of Washington. We trust that they will keep our best interests in mind as they examine requests that come before them. I hope each Commissioner will review the history of card rooms in our state. Examine the comments made when they first started and track how they have grown and expanded in their operations. I am content to leave card rooms alone, as long as they stay the way they are constituted at this time. I am just very tired of hearing, every year, that they want to expand into mini-casinos, or into operations that are equal to the tribal casinos, and now that they want to raise their limit 300%. I can't imagine what they will want next year but I'm really annoyed at how they keep pushing. The people of our state are not requesting or supporting this expansion, it's the industry, and I am asking the Commissioners to protect our communities and our citizens from this determined expansion of gambling activities in Washington State. Thank you. Barbara Skinner, 318 Valley Avenue, Sumner, WA 98390, 253-4729 (h), 253-891-3318 (w)

- 18) From: FMichaelse@aol.com [mailto:FMichaelse@aol.com] Sent: Thursday, September 11, 2003 Increasing the limits on betting in the Mini-Casinos will only increase the number of compulsive gamblers and hurt their families. NO EXPANSION of gambling is our message.

 Fayetta Michaelsen
- 19) From: Bruce Wakeman [mailto:wakeman@spocom.com] Sent: Thursday, September 11, 2003 Increasing the limits on betting in the Mini-Casinos will only increase the number of compulsive gamblers and hurt their families. NO EXPANSION of gambling and planned incremental reduction of gambling is a process that would be compassionate and a help to the overall well-being of our State and its citizens.

Bruce C. Wakeman, 7616 E.Baldwin Ave., Spokane, WA. 99212-2469, 509-924-9765

20) From: Paul Hyndman [mailto:phyndman@earthlink.net] **Sent:** Thursday, September 11, 2003 The median income of Washington State workers declined 12.7% (to \$43,110) in 2000 (*'State of Working Washington' article by the Northwest Policy Center, Evans School of Public Affairs, University of Washington*) and declined another 6.3% in 2001 according to the U.S. Bureau of the Census's 'Current Population Survey' in 2002. The median income, as you know, is that value at which half of the real households are above the amount and half are below the amount. If the median income in the State was approximately \$40,300 in 2001, and assuming that most of those gambling fall within the lower half of the median household income, then an increase in the stakes limit will adversely affect those who can least afford losses through gambling.

I request that the Gambling Commission not raise the stakes at card rooms from \$100 to \$300. I base my request on the fact that \$100 is likely more than the daily take-home pay of half of the people in Washington State. Losing more than three day's pay (\$300) on one hand of cards (or in one day) will adversely impact those families that can least afford it.

Raising the stakes will definitely profit the card room operators and may generate some income for the State coffers, but it will result in a quicker demise for the families of those many people losing necessary income through gambling. The financial burden of welfare assistance from the State will likely more than offset any income to the State.

I request that the Commission, if it does approve a raise in the stakes limit, also conduct a statistically valid study that would include the following: The range/distribution of annual earned incomes of those participating in gambling at card rooms the amount lost by those individuals in a one-year period gross & profit at the two levels of stake amounts income to the State at the two levels of stake amounts interviewing gamblers & their 'significant other' to determine the effects, if any, on the living standard of the couple and any kids record any changes in the number of people seeking State assistance where gambling is identified as one of the contributing factors

The Commission may already have statistically valid study information that may assist it in making its decision. If those who gamble will be better off with a \$300 stake, then approve it. If they will be worse off than with the \$100 stake, then don't approve the increase.

Be cognizant of the likelihood that, if the stakes are raised beyond \$100, that it is very likely that the quality of life for those individuals and any dependents will be degraded. A decision for increasing the stakes will, in my opinion, will result in a measurable lowering of the standard of living for those who can least afford it.

Please ask those at the public hearings to raise their hand if they are employed in the gambling industry, even on a part time basis. Asking for a show of hands at a public meeting of those who support the recommendation without determining how many are employed in the industry is like asking a room full of foxes if they like chicken! Don't be misled by numbers of people at the hearings. Do what is right for the citizens of this great State and reject any increase in the stake limit. Please include my comments as part of the Public Record. Sincerely,

Paul Hyndman, (509) 325-3666, 6121 N. Buffalo Street, Spokane, WA 99205-6610

21) From: Matthew W. Monroe [mailto:mmonroe@missionconceptsinc.com] Sent: Friday, September 12, 2003

As you know the odds in any game in the mini-casinos are in favor of house. Tripling the single wager betting limit only serves to triple the speed that a gambler gets shown the door after the lose what money they have. Granted, tripling the single wager betting might be more cost effective for the mini-casino in the short term, but in the long run it could actually hurt them. It is analogous to a farmer milking a cow. If the farmer takes all the milk from the cow every day, the calf will starve to death. If the farmer takes a limited portion of the milk, the calf can grow and become another cow the farmer can milk. It could even be argued that reducing the current wager betting limit by a fraction would serve the public and the minicasinos better. It would show good faith by commission to the public, and most likely make statewide if not national news. It would also put the gambling industry on notice not to be so greedy and request a triple increase in limits. Please feel free to call or email me,

Matthew W. Monroe, (509) 624-3237

22) From: Linda Burton [mailto:burtonll@u.washington.edu] Sent: Friday, September 12, 2003 Gambling is bad. Just ask Rick Neuheisel! Gambling addiction is bad. My daughter-in-law's addiction has broken my son's heart, is leading to divorce, and has bankrupted the family and caused them to lose their home. What the cost has been to the children is immeasurable. My 10-year-old grandson commented, as we were visiting in South Dakota and seeing casino after casino: "I guess kids in South Dakota are sad too." My 6-year-old grandson pointed and commented, as we walked through the toy section of a store: "I used to have that toy until Mom pawned it." And the baby girl? In her mother's womb she experienced the sights and sounds of Shoreline's smoke-filled mind-numbing play-till-you-can't-steal-any-more-money casino environment. Daddy begged Mommy to come home, "Please don't expose our baby to this." Later, Mommy was arrested in Costco for shoplifting baby formula. The grocery money my son had provided had been dropped in Parker's. She lost over \$150,000 in Parker's alone!

WHY does Washington state promote gambling? WHAT does Washington state do to assist families broken by gambling? Yes, it is the individual's responsibility and CHOICE of whether or not to gamble, and when to stop. HOWEVER, we have had the good sense to make places who serve alcohol STOP SERVING those who have clearly lost good judgment. WHEN will we do that with gambling establishments? DO NOT EXPAND GAMBLING OPPORTUNITIES IN WASHINGTON STATE! LET'S MAKE GAMBLING ESTABLISHMENTS TAKE RESPONSIBILITY FOR THE IMPACT THEIR ENVIRONMENT HAS ON THE NON-GAMBLING PUBLIC. The MANY pay too heavy a price for the (pleasures?) (sins?) of the FEW.

Linda L Burton, 22701 Lakeview Dr, #D3, Mountlake Terrace, WA 98043

23) From: CRAIG FERDERER [mailto:clferd@yahoo.com] Sent: Friday, September 12, 2003 Please do not continue to be a voice for expanding gambling limits in Washington. This will only increase the temptation for compulsive gamblers as well as creating more compulsive gamblers. Social card players do not wager \$300.00 in card games. compulsive gamblers do. Please use your influence for the betterment of our state and the people who live here. Respectfully,

Craig Ferderer

- 24) From: Pastor Al Hulten [mailto:pastoral@valleyassembly.org] Sent: Friday, September 12, 2003 I am opposed to raising the single wager betting limit to \$300 per hand in card rooms. I ask you to use your influence to leave the betting limit where it is. Sincerely,
- C. Allan Hulten, 4124 S. Sullivan Rd., Veradale, WA 99037
- 25) From: MJM Speaker [mailto:mjmspkr@yahoo.com] Sent: Friday, September 12, 2003 Please make it a part of the public record to the Gambling Commission that I am very much against the card room operators' request to triple the single wager betting limit to \$300 per hand. This is yet another example of the constant effort to incrementally expand gambling in Washington State. Social card games don't involve \$300 bets per player per hand. Please let the state Gambling Commission know my views. I do not gamble, do not wish to gamble and feel we should have NO gambling in Washington State. Please do not put further temptation in front of gambling addicts who have no control over their behavior and who consequently ruin their lives and those of their loved ones around them, including their innocent children.

Thank you for strong consideration of my objections. Sincerely, **Marilyn J. Montgomery**, 4715 East Sumac Drive, Spokane, WA 99223-2210

- 26) From: RodCFuller@aol.com [mailto:RodCFuller@aol.com] Sent: Friday, September 12, 2003 Subject: NO MORE GAMBLING!!!
- 27) From: JOSEPHINE SWANSON [mailto:josswan2@msn.com] Sent: Friday, September 12, 2003 Please do NOt expand opportunities for gambling in our state. We already have too much poverty, unemployment, and DEBT! Thank you. . .
- 28) From: Richard Shumate [mailto:RICHARDSHUMATE@peoplepc.com] Sent: Friday, September 12, 2003

I would like to strongly express my opposition to gambling expansion in Washington state. I would also like to urge the state to consider the complete elimination of gambling altogether.

The three Shoreline casinos Parkers, Drift on Inn and Goldies have taken my credit, my home, my wife and a quarter of a million dollars of my money. All against my will. Yet the law said there was nothing I could do about it except divorce my wife. She is a compulsive gambler by the way. She has now lost her job, her apartment and has robbed her employer of \$2000.00 which I believe is a felony. This is only one of many crimes she has committed. We are separated by the way.

These three casinos were notified by me three years ago of my wife's problem. They all agreed to ban her. They all reneged. They act with no responsibility or accountability. Their reign of terror on good citizens of this state should be put to and end. Not to mention the fact that my wife has collected all kind of benefits from the state due to her unemployment and related circumstances. The citizens are hurt and the state is hurt by these parasites called casinos.

You may reply to my email or contact me at 206-228-1412. I will testify before any committee about my circumstances and offer my opinions and/or help to anyone who wishes if it will help to bring an end to gambling in Washington state. Sincerely,

Richard Shumate

Correspondence Supporting Increased Betting Limits



9/10/2003

Good Morning Commissioners;

My name is Dave Pardey. I own Skyway Park Bowl and Casino in S. Seattle and I have a 14 table House Bank Cardroom. Thank you for letting me testify today on the R.G.A.'s petition to increase our bet limit to \$300.

Its been over three years since I have tooted my horn on something I feel is important to my business and the industry as a whole. I was the third Cardroom to receive my house bank license in 1998 and I rank about 14th in revenue in the state, so I am not a big operator, but I feel I am a very average Cardroom, I have always felt I am in the nickel and dime business. When I raise rates in the restaurant and bowl, it's at small increases. In the Cardroom, with a higher limit I feel I will only gain a few customers here and there, but a few more, maybe I can increase me revenue by 2 or 3%. That increase would help me maybe make a few hundred dollars a day, but it is something I desperately need.

Over the past few years I have seen my revenue decrease, and my expenses increase. In the Cardroom alone, I have gone from over 140 employees to 110 employees now.

My revenue is down over \$500,000 in the first 7 months of this year, compared to the same period last year. As all of you are aware, L&I insurance went up 30% this year in Olympia. My quarterly check for L&I use to be around \$20,000, now it is over \$28,000 a quarter.

I have seen my insurance on my business go from \$40,000 two years ago, to over \$80,000 per year for Liability and Fire.

I have 68 employees on the Medical Plan, over 50 of them are from the Cardroom. We have a good plan, with Dental and Vision at a cost of \$269 per employee, I pay 55% and the employee pays 45%. This is very important to the full-time people. These costs have also gone up significantly over the last few years.

Getting back to the higher limits issue. I'd like to take a few minutes to tell you a story about my friend, Bruce Russell, who has a Cardroom in Moses Lake. Four years ago, when Bruce had a \$25 limit at his Lake Bowl Cardroom, I asked him when he was going to go for his Phase II review for a \$100 limit. He said he didn't have any big betters, so he was happy at the \$25 limit. About 1.5 years later, Bruce went to Phase II, when I asked why, he said now and then a few



customers would like to play higher limits. This same concept is true today for Bruce. If he has \$300 limits, he may only use it on the weekends when he's the busiest, but at least he can offer that to his customers when they would like it, and when Bruce feels he can take the gamble you might say, because Bruce knows there is no guarantee he will win, but it helps keep a few customers happy.

In closing, I assume we all meet once a month because we are always in a changing mode in business and in life. I have always supported the Washington State Gambling Commission and we all have a very responsible job to perform for not just the public, but for the industry and for the 175 employees that work for Dave Pardey and Skyway Park Bowl and Casino.

The Liquor Board and the Health Dept don't dictate what I charge for Food and Drink, but the Gambling Commission controls not only the rules, but the types of games, Minimum employee standards, and how much a customer can 'bet' which is the cost of the product known as the 'wager'.

I think I have tooted my horn long enough and I would be happy to apswer any questions.

Sincerely,

Dave Pardey

Sec Trea

Skyway Park Bowl and Casino

19 Citizens Supporting Increased Betting Limits in House-Banked Card Rooms October 2003, Commission Meeting

1) Paul Twamley [mailto:Paul@PJPSERVER1.PJPOCKETS.com] Sent: Tuesday Sept 23, 2003 I have read numerous of your received emails opposing the increase in table games limits in "mini-casinos" and I would like to point out an issue that none of the emails in opposition have touched upon. This is that limits of more than \$100 are readily available to residents of Washington State in Tribal Casinos. In fact \$500 limits are readily available. Does the opposition even realize this? Potentially not. Not a single opposer even touched on this. Just because an available limit of \$300 is offered this will not affect 90% of gamblers in the state. People have budgets and a player who bets an average of \$10 per hand will not suddenly jump up to betting multiple hands at \$300. This is just not logical. Casinos in Las Vegas have maximum bets that reach to extraordinary levels but you do not see the average weekender betting anywhere even close to the limit. The increase will just give the players who normally bet in the \$300 range the option to go to a local, more personable, non-tribal casino. This really is a matter of competition and business survival for non-tribal ventures. Thank you for your consideration.

Paul F. G. Twamley - Casino Manager for PJ Pockets Casino in Federal Way

2) From: Greg Means [mailto:gmeans@pipockets.com] Sent: Tuesday, Sept 23, 2003 I would like to express my support of raising the limits for cardrooms to \$300. This issue is long overdue in my estimation. It still leaves an advantage for the tribes, which they seem eager to keep. I just feel that growth for the cardrooms is overdue. Much of the money (20% of cardrooms net win) goes to taxes. Many of the cities would benefit greatly from the increased income from this. It would enable players to enjoy the cardroom gaming experience outside of the busy tribal casinos and still feel that if they get off to a bad start that they can win their money back without being restricted to lower limits that make it tougher to make up lost ground. I feel that this is a win win situation for all concerned. I can't believe that anyone other than a tribal casino would object to this. Thank you for your time.

Greg Means

- 3) From: Joshua Iszley [mailto:jiszley@hotmail.com] Sent: Wednesday, September 24, 2003 I am for higher limits in cardrooms. I like to gamble and would like to have the ability to bet higher than \$100. I am also pro business, and I support our local business.

 JOshua L Iszley
- 4) From: TBIszley@aol.com [mailto:TBIszley@aol.com] Sent: Monday, September 22, 2003 I'm writing you today in support of the bet limit increase for mini casinos. The cost of living continues to increase as it will. Health care is going through the roof. This is the only way for mini casinos to cover these item and others. Thanks for your time, Tim Iszley
- **5)From: Bobbi Lovelle** [mailto:Bobbil@driftoninn.com] **Sent:** Wednesday, September 24, 2003

We support Bob Tull's presentation to the Commission for increased table limits. As a family owned and operated business we have become successful and have overcome many of the obstacles that have driven other owners out of business. However, we have felt the impact from the new Tulalip tribal casino which is reflected in reduced revenues. Without the advantage of slot machines, craps and other table gaming, only available at tribal casinos, we are greatly

restricted from generating additional revenue. In addition, our pull-tab business is down 43%. Increased table limits would give us the opportunity to regain some of our lost revenue. We are confident that our industry will be well represented and look forward to hearing about the discussion at the October meeting. Respectfully,

The Mitchell Family,

Drift On Inn Casino, Club Hollywood Casino

6) From: jerold gutman [mailto:jeroldogutman@yahoo.com] Sent: Thursday, September 25, 2003

I am writing to you to state my support for higher betting limits in the casino where I go for gaming entertainment. I understand that you are a representative of the government agency that is considering approvial of higher betting limits and I want to state my support for approval of this issue. I am a social gambler. I manage my personal finances well and set limits on the money that I spend on entertainment that includes gambling. I would like the option to bet more on my gaming when I choose to do so. Thank you for your support of this issue. Regards, **Jerry Gutman**

- 7) From: Gary Hess [mailto:ghess@gagaming.com] Sent: Tuesday, September 23, 2003 I'm an employee of a card room and I know plenty of people that go to other casinos because of the limits that we are bound to and that others are not so I don't believe that it is an increase to gaming in the state of Washington when it already exists here.

 Gary Hess, Federal Way, Wa
- 8) From: CYMunro [mailto:CYMunro@icehouse.net] Sent: Monday, September 22, 2003 I'm writing to you as a citizen of the State of Washington. As a resident of the state, I would like to see the gambling limit increased. Gambling is a form of occasional entertainment for me and I would like more of a choice when it comes to deciding how much money I want to spend. I think it is only right for the limits to be increased to a more appropriate level.
- 9) From: beverly james [mailto:bjames@w-link.net] Sent: Thursday, September 18, 2003 Local casinos have a gambling limit of \$100, unless they are Indian casinos and they get to have a \$300 limit. That is discrimination at its worst. Equal gambling rights for all casinos should be the goal. Not blatant favoritism for so called Indian Casinos, I understand that most of the Indian casinos are not really owned by American Indians, but by outside interests, that is also blatantly unfair to both Indians and non-Indians. Thank you Suzanne James
- 10) From: JBoh4234@aol.com [mailto:JBoh4234@aol.com] Sent: Thursday, September 18, 2003

I would like to encourage you to increase the gambling limit at my local casino to \$300.00. I have never quite understood why I am limited to a \$100 bet, as I feel that it is my choice as to how much I would like to bet. It seems to me that freedom of choice is a pretty basic right we all have as American Citizens.

Thank you, Dexter Bohannon

11) From: David Fretz [mailto:dfretz@gcgaming.com] Sent: Wednesday, September 10, 2003 I thought I'd send you a quick note in response to comments from CAGE on the increased bet limits for card room. They state "It's yet another example of the constant effort to incrementally expand gambling in Washington State". The increase in bet limits should not be construed as an expansion of gambling. This does not increase the number of gamblers or access to gaming; Players will only still only gamble at a level commensurate with their income. However, this

change does improve the Players chance for success as the hold percentage for the house is lower with increased bet limits. While not yet allowing Card Rooms to compete on a level playing field with First Nation Casinos, this change will allow Card Rooms to attract some existing Players who currently do not play in our limited stake games.

Regards, David Fretz, Great American Gaming Corporation, President, (360) 668-6080

12) From: Donna Buck [mailto:donnab@zdigaming.com] Sent: Wednesday, September 10, 2003

MY COMMENT TO THE CITIZENS AGAINST GAMBLING IS WHO IS GOING TO STEP UP TO THE THE PLATE AND HELP THE LOCAL ORGANIZATIONS IF THE MINI CASINOSGO AWAY.I WORKED WITH JIMMY G'S AND SILVER DOLLAR TO PUT ON A THANKSGIVING DINNER AT THE AMVETS CLUB. ALSO A CHRISTMAS PARTY WITH GIFTS, FOOD, GAMES, SANTA EVERYTHING FREE AT GATEWAYS FOR YOUTH AND FAMILIES BINGO HALL.OVER1,000 ATTENDED FROM THE RESCUE MISSION AND AROUND TACOMA. THEY ALL SUPPORTED THE SOUTH TACOMA BUSINESS DISTRICT CAR SHOW WITH PRIZES, ADVERTISING, ETC. ALL OF THE CASINOS ARE WORKING WITH THE GOODWILL TO PROVIDE JOB TRAINING AND JOBS FOR TRAINING GRADUATES. WHILE THESE CONNECTED FORMER OFFICIALS AND PIERCE COUNTY EXECUTIVE LADENBURG HAVE DONE NOTHING, EXCEPT TAX THE CHARITIES OUT OF BUSINESS TACOMA COLLECTS THE MAX THE STATE REG. ALLOWS.6 CHARITIES AND SOME FRATERNAL BINGO GAMES HAVE GONE OUT OF BUSINESS IN THE PAST FEW YEARS THE CITY NOR COUNTY HAS PICKED ANY OF THE SERVICES LEFT OUT.

DONNA M. BUCK

13) A. From: Greg Bakamis [mailto:gregb@grandcentralcasinos.com] Sent: Wed. Sept. 10, 2003

This is a subject that the WSGC can act on with out legislative approval. We need it in this industry to compete.

Greg A.Bakamis, Regional Manager, Grand Central Casinos

13) B. From: Greg Bakamis [mailto:gregb@grandcentralcasinos.com] Sent: Thursday, Sept. 18, 2003

Again I appeal to you to consider allowing the non-tribal casinos to raise therir limits. This is only fair sinc3e the tribes retain the upper hand in this competitive field. Sincerely,

Greg A.Bakamis, Regional Manager, Grand Central Casinos

- 14) From: Pat Hosier [mailto:gm@wizards-casino.com] Sent: Thursday, September 18, 2003 I would like to address the proposal to increase the mini-casino maximum betting limit. The main objection seems to be that this "expansion" of gaming would have too high a social cost. This is not an expansion. I live 20 minutes away from a tribal casino offering more than 50 tables with \$500 limits. Higher limits for mini-casinos means a 10 minute shorter drive for those who already gamble, not a new, expanded form of gambling. This is an issue of fairness, choice and equity. Mini-casinos deserve the ability to compete and survive based on customer choice and this ruling would create a slightly less slanted playing field in the gambling marketplace. Thank you, Pat Hosier
- 15) From: JBoh4234@aol.com [mailto:JBoh4234@aol.com] Sent: Thursday, September 18, 2003

I would like to encourage you to increase the gambling limit at my local casino to \$300.00. I have never quite understood why I am limited to a \$100 bet, as I feel that it is my choice as to how much I would like to bet. It seems to me that freedom of choice is a pretty basic right we all have as American Citizens.

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- 17) From: CYMunro [mailto:CYMunro@icehouse.net] Sent: Monday, September 22, 2003 'm writing to you as a citizen of the State of Washington. As a resident of the state, I would like to see the gambling limit increased. Gambling is a form of occasional entertainment for me and I would like more of a choice when it comes to deciding how much money I want to spend. I think it is only right for the limits to be increased to a more appropriate level.
- 18) From: Gary Hess [mailto:ghess@gagaming.com] Sent: Tuesday, September 23, 2003 I'm an employee of a card room and I know plenty of people that go to other casinos because of the limits that we are bound to and that others are not so I don't believe that it is an increase to gaming in the state of Washington when it already exists here.
- 19) A. From: DW0057@aol.com [mailto:DW0057@aol.com] Sent: Thursday, September 18, 2003

I would like to add my comments concerning raising limits in mini casinos.

My background is 5 plus years in a surveillance room in a mini casino (Skyway) and my over 5 years in retail management with Sears on the Loss Prevention and Operations side.

Gambling, like drinking and smoking are personal decisions that should be left to the individual and regulated, not the way it is now where Tribal Casinos are given preferential treatment and allowed to operate a state sponsored monopoly, supposedly promised to them by Governor Locke.

The less government intrudes into making peoples moral decisions for them the better government will be. Regulate and tax it for the people who choose to partake and help those who need help with taxes collected from it.

As it is now the Tribes are allowed to operate tax free, pay next to nothing to support gambling addiction in relation to revenue yet they and puppet groups formed by their agents, AKA C.A.G.E. decry gambling expansion.

Mr. Cocker, a longtime friend of Maleng says it was a natural fit "recruiting" Maleng and Gardner. This is like an iceberg. What you see on the surface is only a small piece of what's hidden below. Even Rep Gombosky agreed that the relationship between the tribes and C.A.G.E. "is completely misleading."

Even the National Coalition Against Legalized Expansion believes there is enough evidence to a financial connection between C.A.G.E. and the I.G.A. that they have removed C.A.G.E.'s information from their national website.

Mr. Cocker, a member of the steering committee of the Indian Gaming Association sees no problems with setting up a front group at the behest of the tribes and when asked about it said "so

what? It served our purposes."

I guess we get hung up on definitions According to Mr. Maleng and the tribes. The 200 million dollar casino planned by the Puyallup's, The Tulalip's 70-80 million casino is not expansion yet in the same breath they make the ridicules statement that raising the limit in mini casinos is expansion.

I would challenge you to bring forward 1 letter written by Maleng condemning The Puyallup's new casino, The Tulalips or the new casino recently completed by the Suquamish or even the proposal now in the works with the Snoqualmie and Cowlitz to build casinos or even the rumored one in Leavenworth.

In almost every aspect of business competition is considered good for consumers so why is it that in gaming we hear competition and choices are bad. I was always taught competition helps consumers by increasing prizes and comps to those who enjoy these gaming establishments. What ever happened to the idea of choice is good?

While C.A.G.E. and the tribes have a right to their opinion I believe their true colors must be made clear. The tribes can't be faulted for trying to keep what they have and on the opposite side why do some find it so strange the mini casino operators simply want a piece of the large pie. As it is now the local tribes have a very lucrative state sponsored monopoly and they wish to keep things the way they are. They have spent hundred of thousands of dollars in their efforts.

If gambling expansion is the issue, the driver isn't mini-casinos, which are one small component of gambling fare. They're just the new kid on the block, and thus the most visible target for antigambling activists who ignore tribal gambling.

So why all the fuss about mini-casinos at this late stage of development? If we're talking about gambling expansion how about we focus on Tribal casinos or the Mega Lottery?

If we're going to address expansion of gambling in the state, then the focus has to be a whole lot broader than mini-casinos, which actually produce some needed revenue for local government unlike Tribal Casinos that pay nothing.

Frankly I fail to see why this is even an issue and further what is the supposed detrimental impact to consumers or the Tribes. The fact is that if the consumer doesn't want it it will fade away making a \$300 limit moot.

Maleng and the Tribes seem to be saying competition serves no useful purpose to consumers since in order to gain market share competition will lower prices and/or increases pay outs/prizes, improve quality and service to the public and God forbid raise additional tax revenue.

Dave Wilkinson, Kent, WA. 98031

19) B. From: DW0057@aol.com [mailto:DW0057@aol.com] **Sent:** Friday, September 19, 2003 11:53

How can Mr. Maleng be so hypocritical as to take the position of completely ignoring Tribal casinos while bashing mini casinos with every breath? Evidently free enterprise will not work so government will have to step in and decide for us because we're to foolish to do it ourselves.

While I do have a bias since I work for a mini casino I do not consider myself an Indian basher and that is not my intent. The tribes here and across the country have been treated horribly in the past by our federal, state and local governments and the opportunities they have now been given with exclusive rights to many popular forms of gambling have helped them pick themselves up and begin to prosper but I should make clear that this does not make a case for a state maintained/sponsored monopoly. Simply put tribal casinos have been allowed to prosper for over 3 years with essentially no real competition and most have prospered and will continue long into the future.

At the risk of repeating myself I have seen not one statement from Mr. Maleng or C.A.G.E. in print or in minutes from W.S.G.C. meetings making a single objection to the massive tribal gaming expansion recently and planned expansions to the tune of over 400 million dollars if we take into consideration the Tulalips, Puyallups, Snoqualmie, Cowlitz, Suquamish and I could go on and on.

I believe the legal term "the fruit of the poisonous tree" has relevance and if we use this term to look at Mr. Maleng's initial relations with Cocker Fennessy and C.A.G.E.'s beginnings you have to discredit Mr. Maleng completely because if the I.G.A. with Mr. Cocker acting as an agent initiated and was the impetus for C.A.G.E. then anything that C.A.G.E. does has to be seen as coming from the Indian Gaming Association, even if indirectly. If it was created by Mr.Cocker

certainly it's difficult to believe he acted totally on his own with no input from the I.G.A. Just because the P.D.C. didn't find criminal wrong doing doesn't mean Mr. Maleng's/C.A.G.E.'s actions didn't include questionable conduct. Even the national association against gaming expansion said there was enough questions about the independence and the origins of C.A.G. E. that it was removing it from it's national website. I would like my comments entered into the record.

Dave Wilkinson

19) C. From: DW0057@aol.com [mailto:DW0057@aol.com] Sent: Saturday, September 20, 2003 10:34

This is my 3rd and final letter concerning the matter before you on whether to raise limit to \$300 in mini casinos.

After reading through some of the letters submitted to you against the matter I wanted to speak to several things that were in these letters.

One letter writer commented that only 1 in 10,000 could afford to play higher limits and anyone who played at these limits would either be an addict or professional gambler. We can argue the true number but Washington has the highest if not one of the highest percentage of millionaires per capita in the United States/.

Not to imply a \$300 limit in mini casinos would tempt Bill Gates to play but certainly no one would say that Mr. Gates was a professional or gambling addict simply by him betting \$300 a hand. Using the same logic, a person making \$100,000 a year who enjoys playing blackjack should not be considered an addict or professional because several times a week he/she enjoys playing at levels above \$100. The amount you bet has much more to do with your income than whether you're an addict or professional.

If the argument is rising criminal activity and additional law enforcement needed with a \$300 limit then I would challenge anyone to show a direct correlation between betting limits going from \$25 limit (phase 1) to \$100 (phase 2).

Certainly if we follow the logic that there's an increase in criminal activity as betting limits go up then certainly limits going up 400%, from \$25 to \$100

(phase 1 to phase 2) would show increases in crime when all mini casinos went from phase 1 to phase 2. I would challenge the Commission or C.A.G.E. to provide statistics showing this increase. Further, when tribal casinos went from \$250 to \$500 I would again challenge you or anyone to show a direct correlation solely between increased crime and the raising of betting limits.

One letter writer commented that "the people aren't requesting or supporting this expansion" (higher limits). It will surprise no one within the gaming business that some of the larger tribal casinos even have high limit areas cordoned off from the rest of the casino specifically for the people who prefer higher limits. If people didn't want these higher limits then the tribal casinos

wouldn't have them. This is simply the law of supply and demand. Even in the smaller tribal casinos they certainly have tables reserved for their higher limit players.

This is really a customer service issue, not an expansion of gambling issue as some would paint it. If a customer wishes to have a table to himself and play higher limits shouldn't a business be able to offer this assuming the action is legal in the first place? This has nothing to do with adding new games or more tables which

most logical people would consider an expansion. This is simply a request to raise the amount a person can bet. By any stretch of the imagination how can anyone argue this is expansion.

When my property and other taxes go up, they raise prices at the store and my medical insurance premiums go up most would say this is an increase.

If I use C.A.G.E.'s logic then my taxes and prices aren't going up, they're just expanding.

Again this is an issue of allowing the mini casinos to offer their customers higher betting limits to those that want them. If some of the casinos don't have customers who wish to play at higher limits then the higher limits will be moot.

It doesn't take Einstein to figure out some casinos will have 5 customers, some will have 50 and some will have none depending on the location of the mini casino.

In this economy government should do everything it can to preserve jobs not hamper growth and cost people their jobs. By denying this request you're in effect giving walking papers to employees in some mini casinos. Even if it's only 1 job in each casino that is still over 50 jobs lost.

I would like my statement included in the public record,

Dave Wilkinson

Example of Staff's Response To Stakeholder Input

Example of Staff's Response Sent September 17, 2003

Dear:		

Thank you for taking the time to forward your concerns to us. Director Day has asked that I respond to your e-mail. The Commission will be considering the proposed Petition for Rule Change submitted by the Recreational Gaming Association to increase betting limits, during the next two months with a final decision likely at the November Commission meeting. We will consider your comments as correspondence in opposition of the petition for rule change. I will forward your e-mail to the Commission for consideration at the October and November Commission meetings.

Commission meetings are open to the public and you are welcome and encouraged to attend to address the Commission in person regarding you concerns. The next two meetings will be held as follows:

October 10, 2003 Double Tree Hotel - Spokane City Center 322 N Spokane Falls Court Spokane, WA 99201 (509) 744-2310

November 14, 2003 DoubleTree Guest Suites Southcenter 16500 Southcenter Parkway Seattle, WA 98199 (206) 575-8220

Again, thank you for submitting your comments on the Petition for Rule Change. If you have any questions, please let me know.

Sincerely,

Susan Arland
Rules Coordinator and Public Information Officer
Communications and Legal Department
Washington State Gambling Commission
1-800-345-2529, ext. 3466

Example of Staff's Response Sent September 25, 2003

This e-mail is a follow-up to the e-mail I sent you on September 17, 2003. I am writing to let you know that the proposal to increase betting limits from \$100 to \$300 is scheduled for final action at the October 10, 2003, Commission meeting, not the November 14th meeting.

As part of our rule making process, it is customary that a proposed rule change be up for final action after it has been discussed at three Commission meetings. This provides time for the public to be notified of the proposed change and submit their comments to the Commission. The October meeting will be the third time this rule proposal has been discussed at a Commission meeting. Therefore, we anticipate the Commission will take final action at the October meeting. At the October meeting, the Commission will either: 1) adopt the proposal; 2) not adopt it; or, 3) hold it over for further discussion at the November meeting. The e-mail you received on the 17th inadvertently noted that the rule proposal would also be discussed at the November meeting, when in fact, it will only be discussed in November if the Commission holds it over for further discussion. Therefore, if you would like to address the Commission in person regarding your concerns, please plan to attend the October 10, 2003, Commission meeting, which is scheduled to begin at 9:00 a.m. and be held at the Double Tree Hotel - Spokane City Center, 322 N Spokane Falls Court, Spokane, WA 99201, Phone number: (509) 744-2310.

If you have any questions, please let me know.

Sincerely,

Susan Arland
Rules Coordinator and Public Information Officer
Communications and Legal Department
Washington State Gambling Commission
1-800-345-2529, ext. 3466